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SUBJECT: PRESIDENT'S PARTY CALLS FOR CONSTITUTIONAL
CHANGE; CHANGES IN THE CABINET IN THE WORKS?

REF: A. MANILA 81

[B](#). 05 MANILA 5965

[C](#). 05 MANILA 5947

Classified By: Acting Political Counselor Joseph L. Novak for
reasons 1.4 (b) and (d).

[1](#)1. (C) Summary: Leaders of the Lakas Party -- including President Arroyo -- underscored support for Constitutional change during a January 14 meeting. Per Lakas, proposed changes would take effect in 2007 when a parliament led by a prime minister would be created. President Arroyo would be allowed to serve out her term with her powers basically intact until its scheduled end in 2010. In other domestic political news, there has been talk of a small Cabinet reshuffle and a maverick lawyer has filed impeachment charges against President Arroyo. Lakas' statement appears to have added a new impetus to the push for Constitutional change, although the Senate is still balking. End Summary.

Lakas Meeting

[1](#)2. (C) Leaders of the Lakas Party -- including President Arroyo -- underscored support for Constitutional change during a January 17 meeting. Aside from Arroyo, who is honorary chairperson of the party, Speaker of the House Joe de Venecia (the current head of Lakas) also participated, as did former president Fidel V. Ramos, the party's Chairman Emeritus. In a statement issued at the close of the meeting, the Lakas leadership said its proposed changes to the Constitution would take effect in 2007 when a unicameral legislature (i.e., parliament) led by a prime minister would be created, effectively ending the current bicameral system. President Arroyo would be allowed to serve out her term with her powers basically intact until its scheduled end in 2010, however. Per the proposal, when she leaves office, a ceremonial president would take over, with the prime minister receiving full executive powers at that time. (Note: Most of Lakas' points regarding Constitutional change were very similar to the conclusions reached by a Malacanang-created "Consultative Commission" that issued its report in December 2005 -- see ref b. End Note.)

[1](#)3. (C) The timeframe for pressing these proposed changes through was very ambitious, with Lakas promising it would be done within the next six months. When asked about the Lakas meeting, Ed Castro, the senior foreign policy adviser to Speaker De Venecia, told Acting Pol/C on January 17 that "Malacanang and the House are now 100 percent committed to 'Charter Change' -- it will take place." (Note: "Charter change" or "Cha-Cha" is an informal term that Filipinos use for Constitutional change. End Note.) When asked about the Senate's position on the matter (given that it stands to be abolished under most plans), Castro said "the Senate will come around and come to understand how vital such change is."

[1](#)4. (C) The Lakas meeting also seems to have afforded President Arroyo and former president Ramos a chance to work together in a collegial way on Constitutional change. In the recent past, Ramos has highlighted his own plan for such change which would basically require that Arroyo leave office in 2007 to make way for a new parliamentary system. While Ramos has been pressing his plan hard, Malacanang has never supported his formula, though it has been careful not to alienate Ramos, who is still politically influential. At the Lakas meeting on January 14, Ramos seemed to go along with the consensus without a fuss. In a January 12 meeting, Gabriel "Gabby" Claudio, President Arroyo's chief political adviser, told Acting Pol/C that he felt that Ramos "would remain on board with President Arroyo and her administration, although he clearly has differences on the subject of Charter Change."

Minor Cabinet Reshuffle?

15. (SBU) In other domestic political news, there has been talk of a small Cabinet reshuffle. Based on what Mission understands, Mike Defensor has already become the Chief of Staff at Malacanang, replacing Tomas Alcantara, who is apparently returning to private business. Defensor has reportedly left his old post, Secretary of the Department of Environmental Resources, to take over the Chief of Staff position. Congressman Ronnie Puno, a close confidant of the President's, has been mentioned as a possible new Secretary of the Department of Interior and Local Government (DILG). (Note: Among other matters, DILG supervises the Philippine National Police. End Note.) Current DILG Secretary Angelo Reyes has publicly stated that he wants to remain at his job, however, asserting that he has turned down an offer to be ambassador to the U.S. instead. Rene Velasco, the current head of the Philippine Information Agency (which operates out of Malacanang) has also been mentioned as a possible candidate to head the Office of Presidential Management Staff (PMS). Velasco would replace former PMS Chief Rigoberto Tiglao who has been appointed ambassador to Greece.

16. (C) When queried about the Cabinet and possible changes, Claudio told Acting Pol/C that there probably would be "a limited Cabinet reshuffle in the next several weeks, but the President has not definitely decided who it might effect and when to announce it." In a January 13 meeting with Acting Pol/C, Congressman Puno confirmed that he was a candidate for the DILG position, noting that he had held the position from 1999-2000 (under then-president Joseph Estrada). In an implicit criticism of Reyes, Puno claimed that President Arroyo wanted someone in the position "who knows a lot about local government issues as opposed to only law enforcement operations."

Impeachment Charges

17. (C) Finally, in other news, a maverick lawyer filed impeachment charges against President Arroyo on January 16. The lawyer, Oliver Lozano, had also filed impeachment charges last year, which were ultimately tossed out by the House in September 2005. Lozano's new charges were a virtually a replica of an "amended" impeachment complaint filed by the Opposition last year accusing Arroyo of abuse of power and corruption (the majority in the House refused to review the Opposition's charges at the time, ruling that Lozano's petition took precedence).

18. (C) The Opposition has lashed out at Lozano, asserting that -- in filing his complaint -- he was trying to confuse matters for the Opposition, which is currently studying the issue of when to file its own impeachment charges. (Note: In recent meetings, Opposition leaders, such as Senator Panfilo Lacson, have underscored their support for the filing of new impeachment charges in 2006 -- see ref c, for example. End Note.) In any case, Lozano's charges can only be reviewed by the House in the July 2006 timeframe (or one-year after July 2005 when the House last initiated a review of impeachment charges). When asked about the possibility of a new impeachment battle, Claudio told Acting Pol/C that Malacanang was "not at all worried" with attempts "to rehash old, unproven charges." Late on January 17, Lozano's complaint was returned to him because it had not been endorsed by even one House member and did not meet other technical specifications.

Comment

19. (C) The Lakas statement appears to have added a new impetus to the push for Constitutional change given that Malacanang and the House now seem to be aligned strongly behind it. That said, many senators continue to voice strong public opposition to the idea. Our guess is that -- given the Senate's strong opposition -- Constitutional change will continue to be a tough sell. Lozano's impeachment charges are not new and do not seem to be worrying Malacanang, which appears to be on a stronger political footing at this time than it was for much of last year.

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